

Production means cutting and sewing garments in the United States.

Tariff Rate Quota or Quotas means the temporary duty reduction provided under Section 501 of the Act for limited quantities of fabrics of worsted wool with average diameters greater than 18.5 micron, certified by the importer as suitable for use in making suits, suit-type jackets, or trousers (HTS heading 9902.51.11), and for limited quantities of fabrics of worsted wool with average diameters of 18.5 microns or less, certified by the importer as suitable for use in making suits, suit-type jackets, or trousers for the benefit of persons (including firms, corporations, or other legal entities) who cut and sew men's and boy's wool suits, suit-type jackets and trousers in the United States (HTS heading 9902.51.15), and worsted wool fabric with average fiber diameters of 18.5 microns or less for the benefit of persons (including firms, corporations, or other legal entities) who weave worsted wool fabric in the United States (HTS 9902.51.16).

Tariff Rate Quota Year means a calendar year for which the Tariff Rate Quotas are in effect.

Worsted Wool Fabric means fabric containing at least 85 percent by weight worsted wool.

Worsted Wool Suits means men's and boys' worsted wool suits, containing at least 85 percent by weight worsted wool fabric.

Worsted Wool Suit-Type Jackets mean men's and boys' worsted wool suit-type jackets, containing at least 85 percent by weight worsted wool fabric.

Worsted Wool Trousers means men's and boys' worsted wool trousers, containing at least 85 percent by weight worsted wool fabric.

[66 FR 6461, Jan. 22, 2001, as amended at 70 FR 25777, May 16, 2005]

§ 335.3 Applications to receive allocation.

(a) In each year prior to a Tariff Rate Quota Year, the Department will cause to be published a FEDERAL REGISTER notice soliciting applications to receive an allocation of the Tariff Rate Quotas.

(b) An application for a Tariff Rate Quota allocation must be received, or postmarked by the U.S. Postal Service,

within 30 calendar days after the date of publication of the FEDERAL REGISTER notice soliciting applications.

(c) For applying for TRQs 9902.51.11 or 9902.51.15 during the calendar year of the date of the application, an applicant must have cut and sewed in the United States all three of the following apparel products: Worsted Wool Suits, Worsted Wool Suit-Type Jackets, and Worsted Wool Trousers. The applicant may either have cut and sewn these products on its own behalf or had another person cut and sew the products on the applicant's behalf, provided the applicant owned the fabric at the time it was cut and sewn. The application must contain a statement to this effect. For applying for TRQ 9902.51.16 during the calendar year of the date of the application, an applicant must have woven in the United States worsted wool fabrics with average fiber diameters of 18.5 microns or less, suitable for use in making suits, suit-type jackets, and trousers. The application must contain a statement to this effect.

(d) An applicant must provide the following information in the format set forth in the application form provided by the Department:

(1) *Identification.* Applicant's name, address, telephone number, fax number, and federal tax identification number; name of person submitting the application, and title, or capacity in which the person is acting for the applicant.

(2)(i) *Production.* Applicants for TRQs 9902.51.11 and 9902.51.15 must provide the name and address of each plant or location where Worsted Wool Suits, Worsted Wool Suit-Type Jackets, and Worsted Wool Trousers were cut and sewn or woven by the applicant and the name and address of all plants or locations that cut and sewed such products on behalf of the applicant. Production data, including the following: the quantity and value of the Worsted Wool Suits, Worsted Wool Suit-Type Jackets, and Worsted Wool Trousers cut and sewn in the United States by applicant, or on behalf of applicant, from fabric owned by applicant. This data must indicate actual production (not estimates) of Worsted Wool Suits, Worsted Wool Suit-Type Jackets and Worsted Wool Trousers containing at least 85

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percent worsted wool fabric by weight with an average diameter of 18.5 microns or less. This data must also indicate actual production (not estimates) of Worsted Wool Suits, Worsted Wool Suit-Type Jackets and Worsted Wool Trousers containing at least 85 percent worsted wool fabric by weight with average diameter greater than 18.5 microns. Production data must be provided for the first six months of the year of the application. This data will be annualized for the purpose of making Tariff Rate Quota allocations.

(ii) Applicants for TRQ 9902.51.16 must provide the name and address of each plant or location where Worsted Wool Fabric was woven by the applicant. The quantity and value of the Worsted Wool Fabric woven in the United States by applicant. This data must indicate actual production (not estimates) of Worsted Wool Fabric containing at least 85 percent worsted wool fabric by weight with an average diameter of 18.5 microns or less. For applications for the 2005 Tariff Rate Quota year, production data must be provided for full calendar year 2004. For allocations of Tariff Rate Quota years after 2005, production data must be provided for the first six months of the year of the application. This data will be annualized for the purpose of making Tariff Rate Quota allocations.

(3) *Worsted Wool Fabric.* Data indicating the quantity and value of the Worsted Wool Fabric used in reported production.

(4) *Certification.* A statement by the applicant (if a natural person), or on behalf of applicant, by an employee, officer or agent, with personal knowledge of the matters set out in the application, certifying that the information contained therein is complete and accurate, signed and sworn before a Notary Public, and acknowledging that false representations to a federal agency may result in criminal penalties under federal law.

(e) *Confidentiality.* Any business confidential information provided pursuant to this section that is marked business confidential will be kept confidential and protected from disclosure to the full extent permitted by law.

(f) *Record Retention:* The applicant shall retain records substantiating the

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information provided in § 335.3(d)(2), (3), and (4) for a period of 3 years and the records must be made available upon request by an appropriate U.S. government official.

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§ 335.4 Allocation.

(a) For HTS 9902.51.11 and HTS 9902.51.15 each Tariff Rate Quota will be allocated separately. Allocation will be based on an applicant's Worsted Wool Suit production, on a weighted average basis, and the proportion of imported Worsted Wool Fabric consumed in the production of Worsted Wool Suits. In regards to HTS 9902.51.16 the Tariff Rate Quota will be allocated based on an applicant's Worsted Wool Fabric production, on a weighted average basis.

(b) For the purpose of calculating allocations for HTS 9902.51.11 and HTS 9902.51.15 only, Worsted Wool Suit production will be increased by the percentage of imported fabric consumed in the production of Worsted Wool Suits to total fabric consumed in this production. For example, if an applicant uses 30 percent imported fabric in the production of Worsted Wool Suits, that applicant's production level will be increased by 30 percent.

(c) The Department will cause to be published in the FEDERAL REGISTER its determination to allocate the Tariff Rate Quotas and will notify applicants of their respective allocation as soon as possible. Promptly thereafter, the Department will issue licenses.

[66 FR 6461, Jan. 22, 2001, as amended at 70 FR 25777, May 16, 2005]

§ 335.5 Licenses.

(a) Each Licensee will receive a license, which will include a unique control number. The license is subject to the surrender and reallocation provisions in § 335.6.

(b) A license may be exercised only for fabric entered for consumption, or withdrawn from warehouse for consumption, during the Tariff Rate Quota Year specified in the license. A license will be debited on the basis of date of entry for consumption or withdrawal from warehouse for consumption.